



National Grid USA Service Company, Inc.

Amy G. Rabinowitz
Counsel

February 7, 2002

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

Re: D.T.E. 01-104

Dear Secretary Cottrell:

On behalf of Massachusetts Electric Company, Nantucket Electric Company, New England Power Company, and New England Hydro-Transmission Electric Company, Inc., I am enclosing the terms of the Money Pool, revised pursuant to the testimony of Nancy B. Kellogg at yesterday's evidentiary hearing. In particular, Paragraph 9(a) has been revised to provide that a borrower with a commercial paper credit rating or an investment grade long-term corporate credit rating will pay interest at a rate equal to the weighted monthly average of the rates on its outstanding commercial paper.

Exhibit NBK 2-A contains the proposed terms of the Money Pool, marked to show all changes proposed in this proceeding, and Exhibit NBK 3-A is a clean version. We proposed to replace Exhibits NBK 2 and NBK 3 to Nancy Kellogg's pre-filed testimony, Exhibit Company 1, with the Exhibits NBK 2-A and 3-A.

Thank you very much for your time and attention to this matter.

Very truly yours,

Amy G. Rabinowitz

cc: Joseph Rogers, Office of the Attorney General

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